GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3358
ANSWERED ON:18.12.2015
CSR Funds
Lokhande Shri Sadashiv Kisan

Will the Minister of FINANCE be pleased to state:

a) whether the Government has fixed any norms for spending the funds by various Public Sector Banks (PSBs) under the Corporate Social Responsibilities (CSR) and if so, the details thereof;

b) whether all PSBs are complying with the provision of CSR and if so, the details of work done and the funds allocated by each PSBs during the last three years and the current year, bank and State/UT-wise;

c) whether the Government has taken any step for monitoring of funds spent by PSBs under CSR including in the backward areas in the country and if so, the details thereof, State-wise including Maharashtra; and

d) the steps taken/being taken by the Government to ensure compliance of CSR initiatives by all PSBs?

Answer

The Minister of State in the Ministry of Finance

(a) & (b): The mandatory provision of spending under CSR under the Companies Act 2013 is not applicable to Public Sector Banks(PSBs) except IDBI Bank Ltd. & Bhartiya Mahila Bank(BMB), since both of which have been formed under Companies Act. However, PSBs(except IDBI Bank & BMB) do such spending under Reserve Bank of India guidelines on "Donations by Banks" vide circular DBOD.No.Dir.BC.15/13.01.01/2002-03 dated August 6, 2002, in terms of which banks can make donations during a financial year, aggregating up to 1 % of their published profit for the previous year. In case of loss making banks, they can make donations totaling Rs. 5.00 lakhs only in a financial year. It may be iterated that spending on donations by banks is voluntary in nature subject to respective Board's approval.
Details of Amount Spent by IDBI Bank & BMB under CSR Activities during the last 3 years and current year are as under:- (RS. In Crore)
Year IDBI Bank Ltd. Bhartiya Mahila bank
2012-2013 1.34 NIL
(The bank was not in existence)
2013-2014 5.62 NIL
(The Bank Commenced operation in November, 2013 only)
2014-2015 23.44 3.33
2015-2016 5.03 2.90

(c) & (d): There is a Board Level Committee in all the Banks to monitor such activities.
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